

1988—Pub. L. 100-322, title IV, §415(e), May 20, 1988, 102 Stat. 552, in item 1803 substituted “guaranty and insurance” for “guaranty”, struck out item 1807 “Service after July 25, 1947, and prior to June 27, 1950”, reenacted items 1810 and 1811 without change, redesignated item 1819 “Loans to purchase manufactured homes and lots” as item 1812, item 1817 “Release from liability under guaranty” as item 1813, and item 1817A “Assumptions; release from liability” as item 1814, struck out item 1815 “Insurance of loans” and item 1818 “Service after January 31, 1955, and prior to August 5, 1964, or after May 7, 1975”, redesignated item 1816 “Procedure on default” as item 1832, struck out former item 1832 “Furnishing information to real estate professionals to facilitate the disposition of properties”, and added item 1833.

1987—Pub. L. 100-198, §10(a)(3), Dec. 21, 1987, 101 Stat. 1323, added item 1817A.

1986—Pub. L. 99-576, title IV, §§407(b), 408(b), Oct. 28, 1986, 100 Stat. 3283, added items 1831 and 1832.

1984—Pub. L. 98-369, div. B, title V, §2512(b)(2), July 18, 1984, 98 Stat. 1120, added item 1830.

1982—Pub. L. 97-306, title IV, §406(c)(3), Oct. 14, 1982, 96 Stat. 1445, substituted “Loans to purchase manufactured homes and lots” for “Loans to purchase mobile homes and mobile home lots” in item 1819.

Pub. L. 97-253, title IV, §406(a)(2), Sept. 8, 1982, 96 Stat. 805, added item 1829.

1981—Pub. L. 97-72, title III, §302(b)(1), (3), Nov. 3, 1981, 95 Stat. 1059, substituted “HOUSING AND SMALL BUSINESS LOANS” for “HOME, CONDOMINIUM, AND MOBILE HOME LOANS” in chapter heading and, in analysis of subchapters and sections, added item for subchapter IV and for sections 1841 to 1851.

1979—Pub. L. 96-128, title IV, §401(b), Nov. 28, 1979, 93 Stat. 987, added item 1828.

1978—Pub. L. 95-476, title I, §106(b), Oct. 18, 1978, 92 Stat. 1500, substituted “Service after January 31, 1955, and prior to August 5, 1964, or after May 7, 1975” for “Veterans who serve after January 31, 1955” in item 1818.

1976—Pub. L. 94-324, §2(b), June 30, 1976, 90 Stat. 720, added item 1807.

1974—Pub. L. 93-569, §§7(b), (c), Dec. 31, 1974, 88 Stat. 1866, substituted “HOME, CONDOMINIUM, AND MOBILE HOME LOANS” for “HOME, FARM, AND BUSINESS LOANS” in chapter heading, and struck out items 1812 “Purchase of farms and farm equipment”, 1813 “Purchase of business property”, 1814 “Loans to refinance delinquent indebtedness”, and 1822 “Recovery of damages”, from chapter analysis.

1970—Pub. L. 91-506, §7, Oct. 23, 1970, 84 Stat. 1114, added item 1819.

1968—Pub. L. 90-301, §5(b), May 7, 1968, 82 Stat. 116, added item 1827.

1966—Pub. L. 89-358, §5(b), (f)(2), Mar. 3, 1966, 80 Stat. 26, 27, added items 1818 and 1826.

1960—Pub. L. 86-665, §§6(b), 7(b), July 14, 1960, 74 Stat. 532, 533, added items 1806 and 1824 and renumbered former item 1824 as 1825.

#### Statutory Notes and Related Subsidiaries

##### MAXIMUM INTEREST RATES FOR MORTGAGE INSURANCE PROGRAM

Consultation of Secretary of Housing and Urban Development with Administrator of Veterans' Affairs regarding interest rate considered necessary to meet mortgage market for guaranteed or insured home loans to veterans under this chapter, in determining rate for mortgage insurance program under section 1709(b)(5) of Title 12, see section 1709-1 of Title 12, Banks and Banking.

##### STATE CONSTITUTIONAL AND LEGAL LIMITS UPON INTEREST CHARGEABLE ON LOAN OR MORTGAGE

Any loan or mortgage secured by a one- to four-family dwelling and insured, guaranteed, or made under this chapter not to be covered by any State constitu-

tional and legal limit upon amount of interest charged, taken, etc., see section 1709-1a of Title 12, Banks and Banking.

#### SUBCHAPTER I—GENERAL

##### § 3701. Definitions

(a) For the purpose of this chapter, the term “housing loan” means a loan for any of the purposes specified by sections 3710(a) and 3712(a)(1) of this title.

(b) For the purposes of housing loans under this chapter—

(1) The term “World War II” (A) means the period beginning on September 16, 1940, and ending on July 25, 1947, and (B) includes, in the case of any veteran who enlisted or reenlisted in a Regular component of the Armed Forces after October 6, 1945, and before October 7, 1946, the period of the first such enlistment or reenlistment.

(2) The term “veteran” includes the surviving spouse of any veteran (including a person who died in the active military, naval, air, or space service) who died from a service-connected disability, but only if such surviving spouse is not eligible for benefits under this chapter on the basis of the spouse's own active duty. The active duty or service in the Selected Reserve of the deceased spouse shall be deemed to have been active duty or service in the Selected Reserve by such surviving spouse for the purposes of this chapter.

(3) The term “veteran” also includes, for purposes of home loans, the spouse of any member of the Armed Forces serving on active duty who is listed, pursuant to section 556 of title 37, United States Code, and regulations issued thereunder, by the Secretary concerned in one or more of the following categories and has been so listed for a total of more than ninety days: (A) missing in action, (B) captured in line of duty by a hostile force, or (C) forcibly detained or interned in line of duty by a foreign government or power. The active duty of the member shall be deemed to have been active duty by such spouse for the purposes of this chapter. The loan eligibility of such spouse under this paragraph shall be limited to one loan guaranteed or made for the acquisition of a home, and entitlement to such loan shall terminate automatically, if not used, upon receipt by such spouse of official notice that the member is no longer listed in one of the categories specified in the first sentence of this paragraph.

(4) The term “veteran” also includes an individual serving on active duty.

(5)(A) The term “veteran” also includes an individual who is not otherwise eligible for the benefits of this chapter and (i) who has completed a total service of at least 6 years in the Selected Reserve and, following the completion of such service, was discharged from service with an honorable discharge, was placed on the retired list, was transferred to the Standby Reserve or an element of the Ready Reserve other than the Selected Reserve after service in the Selected Reserve characterized by the Secretary concerned as honorable service, or continues serving in the Selected Reserve, or

(ii) who was discharged or released from the Selected Reserve before completing 6 years of service because of a service-connected disability.

(B) The term “Selected Reserve” means the Selected Reserve of the Ready Reserve of any of the reserve components (including the Army National Guard of the United States and the Air National Guard of the United States) of the Armed Forces, as required to be maintained under section 10143(a) of title 10.

(6) The term “veteran” also includes, for purposes of home loans, the surviving spouse of a veteran who died and who was in receipt of or entitled to receive (or but for the receipt of retired or retirement pay was entitled to receive) compensation at the time of death for a service-connected disability rated totally disabling if—

(A) the disability was continuously rated totally disabling for a period of 10 or more years immediately preceding death;

(B) the disability was continuously rated totally disabling for a period of not less than five years from the date of such veteran's discharge or other release from active duty; or

(C) the veteran was a former prisoner of war who died after September 30, 1999, and the disability was continuously rated totally disabling for a period of not less than one year immediately preceding death.

(7) The term “veteran” also includes, for purposes of home loans, an individual who performed full-time National Guard duty (as that term is defined in section 101 of title 10) for a period—

(A) of not less than 90 cumulative days; and

(B) that includes 30 consecutive days.

(c) Benefits shall not be afforded under this chapter to any individual on account of service as a commissioned officer of the National Oceanic and Atmospheric Administration (or predecessor entity), or of the Regular or Reserve Corps<sup>1</sup> of the Public Health Service, unless such service would have qualified such individual for benefits under title III of the Servicemen's Readjustment Act of 1944.

(Pub. L. 85–857, Sept. 2, 1958, 72 Stat. 1203, §1801; Pub. L. 91–584, §5(a), Dec. 24, 1970, 84 Stat. 1576; Pub. L. 94–324, §7(1), (2), June 30, 1976, 90 Stat. 721; Pub. L. 97–72, title III, §303(a), Nov. 3, 1981, 95 Stat. 1059; Pub. L. 97–295, §4(62), Oct. 12, 1982, 96 Stat. 1309; Pub. L. 100–322, title IV, §415(c)(1), May 20, 1988, 102 Stat. 551; Pub. L. 101–237, title III, §313(a), Dec. 18, 1989, 103 Stat. 2077; renumbered §3701 and amended Pub. L. 102–83, §5(a), (c)(1), Aug. 6, 1991, 105 Stat. 406; Pub. L. 102–547, §2(a)(1), Oct. 28, 1992, 106 Stat. 3633; Pub. L. 103–446, title IX, §901, Nov. 2, 1994, 108 Stat. 4675; Pub. L. 104–106, div. A, title XV, §1501(e)(2)(B), Feb. 10, 1996, 110 Stat. 501; Pub. L. 112–154, title II, §206(a), Aug. 6, 2012, 126 Stat. 1178; Pub. L. 116–283, div. A, title IX, §926(a)(47), Jan. 1, 2021, 134 Stat. 3830; Pub. L. 116–315, title II, §2101(a), Jan. 5, 2021, 134 Stat. 4981.)

<sup>1</sup> See Change of Name note below.

## Editorial Notes

### REFERENCES IN TEXT

The Servicemen's Readjustment Act of 1944, referred to in subsec. (c), is act June 22, 1944, ch. 268, 58 Stat. 284. Title III of the Servicemen's Readjustment Act of 1944 was classified generally to subchapter II (§694 et seq.) of chapter 11C of former Title 38, Pensions, Bonuses, and Veterans' Relief, which was repealed and the provisions thereof reenacted as this chapter by Pub. L. 85–857, Sept. 2, 1958, 72 Stat. 1105.

### AMENDMENTS

2021—Subsec. (b)(2). Pub. L. 116–283 substituted “air, or space service” for “or air service”.

Subsec. (b)(7). Pub. L. 116–315 added par. (7).

2012—Subsec. (b)(6). Pub. L. 112–154 added par. (6).

1996—Subsec. (b)(5)(B). Pub. L. 104–106 substituted “section 10143(a) of title 10” for “section 268(b) of title 10”.

1994—Subsec. (b)(2). Pub. L. 103–446, §901(b), inserted “or service in the Selected Reserve” after “duty” in two places and substituted “deceased spouse shall” for “spouse shall”.

Subsec. (b)(5)(A). Pub. L. 103–446, §901(a), inserted “(i)” before “who has” and substituted “, or” and cl. (ii) for the period at end.

1992—Subsec. (b)(5). Pub. L. 102–547 added par. (5).

1991—Pub. L. 102–83, §5(a), renumbered section 1801 of this title as this section.

Subsec. (a). Pub. L. 102–83, §5(c)(1), substituted “3710(a) and 3712(a)(1)” for “1810(a) and 1812(a)(1)”.

1989—Subsec. (b)(4). Pub. L. 101–237 added par. (4).

1988—Subsec. (a). Pub. L. 100–322 substituted “1812(a)(1)” for “1819(a)(1)”.

1982—Subsec. (b)(3). Pub. L. 97–295 substituted “member shall be deemed” for “spouse shall be deemed”, and “member is no longer listed” for “spouse is no longer listed”.

1981—Subsec. (a). Pub. L. 97–72, §303(a)(2), added subsec. (a). Former subsec. (a) redesignated (b).

Subsec. (b). Pub. L. 97–72, §303(a)(1), (3), redesignated subsec. (a) as (b) and substituted “For the purposes of housing loans under this chapter” for “For the purposes of this chapter”. Former subsec. (b) redesignated (c).

Subsec. (c). Pub. L. 97–72, §303(a)(1), (4), redesignated subsec. (b) as (c) and substituted “National Oceanic and Atmospheric Administration (or predecessor entity)” for “Coast and Geodetic Survey”.

1976—Subsec. (a)(2). Pub. L. 94–324, §7(1), substituted “surviving spouse”, “the spouse's own”, and “the spouse” for “widow”, “her own”, and “her husband”, respectively, wherever appearing.

Subsec. (a)(3). Pub. L. 94–324, §7(2), substituted “spouse” and “the spouse” for “wife” and “her husband”, respectively, wherever appearing.

1970—Subsec. (a)(3). Pub. L. 91–584 added par. (3).

## Statutory Notes and Related Subsidiaries

### CHANGE OF NAME

Reference to Reserve Corps of the Public Health Service deemed to be a reference to the Ready Reserve Corps, see section 204(c)(3) of Title 42, The Public Health and Welfare.

### EFFECTIVE DATE OF 2021 AMENDMENT

Pub. L. 116–315, title II, §2101(c), Jan. 5, 2021, 134 Stat. 4981, provided that: “The amendments made by this section [amending this section and section 3702 of this title] shall apply with respect to full-time National Guard duty (as defined in section 101 of title 10, United States Code) performed before, on, or after the date of the enactment of this Act [Jan. 5, 2021].”

### EFFECTIVE DATE OF 2012 AMENDMENT

Pub. L. 112–154, title II, §206(b), Aug. 6, 2012, 126 Stat. 1178, provided that: “The amendment made by sub-

section (a) [amending this section] shall apply with respect to a loan guaranteed after the date of the enactment of this Act [Aug. 6, 2012].”

#### EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104-106 effective as if included in the Reserve Officer Personnel Management Act, title XVI of Pub. L. 103-337, as enacted on Oct. 5, 1994, see section 1501(f)(3) of Pub. L. 104-106, set out as a note under section 113 of Title 10, Armed Forces.

#### EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-72 effective at end of 180-day period beginning on Nov. 3, 1981, see section 305 of Pub. L. 97-72, set out as an Effective Date note under section 3741 of this title.

#### EFFECTIVE DATE OF 1976 AMENDMENT

Pub. L. 94-324, § 9, June 30, 1976, 90 Stat. 723, provided that:

“(a) Except as provided in subsection (b), the provisions of this Act [see Tables for classification] shall become effective on the date of enactment [June 30, 1976].

“(b) Sections 2 [enacting section 1807 of this title] and 3 [amending section 1811 [now 3711] of this title] shall become effective on October 1, 1976. Section 5 [amending section 1819 [now 3712] of this title] shall become effective on July 1, 1976.”

#### CLARIFICATION WITH RESPECT TO CERTAIN FEES

Pub. L. 112-154, title II, § 206(c), Aug. 6, 2012, 126 Stat. 1179, provided that: “Fees shall be collected under section 3729 of title 38, United States Code, from a person described in paragraph (6) of section 3701(b) of such title, as added by subsection (a) of this section, in the same manner as such fees are collected from a person described in paragraph (2) of section 3701(b) of such title.”

### § 3702. Basic entitlement

(a)(1) The veterans described in paragraph (2) of this subsection are eligible for the housing loan benefits of this chapter. In the case of any veteran who served on active duty during two or more of the periods specified in paragraph (2) for which eligibility for the housing loan benefits under this chapter may be granted, entitlement derived from service during the most recent such period (A) shall cancel any unused entitlement derived from service during any earlier such period, and (B) shall be reduced by the amount by which entitlement from service during any earlier such period has been used to obtain a direct, guaranteed, or insured housing loan—

(i) on real property which the veteran owns at the time of application; or

(ii) as to which the Secretary has incurred actual liability or loss, unless in the event of loss or the incurrence and payment of such liability by the Secretary the resulting indebtedness of the veteran to the United States has been paid in full.

(2) The veterans referred to in the first sentence of paragraph (1) of this subsection are the following:

(A) Each veteran who served on active duty at any time during World War II, the Korean conflict, or the Vietnam era and whose total service was for 90 days or more.

(B) Each veteran who after September 15, 1940, was discharged or released from a period of active duty for a service-connected disability.

(C) Each veteran, other than a veteran described in clause (A) or (B) of this paragraph, who—

(i) served after July 25, 1947, for a period of more than 180 days and was discharged or released therefrom under conditions other than dishonorable; or

(ii) has served more than 180 days in active duty status and continues on active duty without a break therein.

(D) Each veteran who served on active duty for 90 days or more at any time during the Persian Gulf War, other than a veteran ineligible for benefits under this title by reason of section 5303A(b) of this title.

(E) Each veteran described in section 3701(b)(5) of this title.

(F) Each veteran who was discharged or released from a period of active duty of 90 days or more by reason of a sole survivorship discharge (as that term is defined in section 1174(i) of title 10).

(G) Each individual described in section 3701(b)(7) of this title.

(3) Any unused entitlement of World War II or Korean conflict veterans which expired under provisions of law in effect before October 23, 1970, is hereby restored and shall not expire until used.

(4) A veteran's entitlement under this chapter shall not be reduced by any entitlement used by the veteran's spouse which was based upon the provisions of paragraph (3) of section 3701(b) of this title.

(b) In computing the aggregate amount of guaranty or insurance housing loan entitlement available to a veteran under this chapter, the Secretary may exclude the amount of guaranty or insurance housing loan entitlement used for any guaranteed, insured, or direct loan under the following circumstances:

(1)(A) The property which secured the loan has been disposed of by the veteran or has been destroyed by fire or other natural hazard; and

(B) the loan has been repaid in full, or the Secretary has been released from liability as to the loan, or if the Secretary has suffered a loss on such loan, the loss has been paid in full.

(2) A veteran-transferee has agreed to assume the outstanding balance on the loan and consented to the use of the veteran-transferee's entitlement, to the extent that the entitlement of the veteran-transferor had been used originally, in place of the veteran-transferor's for the guaranteed, insured, or direct loan, and the veteran-transferee otherwise meets the requirements of this chapter.

(3)(A) The loan has been repaid in full; and

(B) the loan for which the veteran seeks to use entitlement under this chapter is secured by the same property which secured the loan referred to in subparagraph (A) of this paragraph.

(4) In a case not covered by paragraph (1) or (2)—

(A) the loan has been repaid in full and, if the Secretary has suffered a loss on the loan, the loss has been paid in full; or